

STAND. COM. REP. NO. **770**

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 736
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred
S.B. No. 736, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require an entity to send written notice to a health care provider at least thirty calendar days prior to initiation of any insurance recoupment or offset demand efforts; and
- (2) Prohibit an entity from initiating any recoupment or offset efforts more than eighteen months after an initial claim payment was received by a health care provider, with certain exceptions.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, Hawaii Primary Care Association, and Hawaii Psychological Association.

Your Committee finds that while health care providers in Hawaii generally have twelve months to submit claims to health insurance plans, there is no similar time limit that prevents health insurers from attempting to recoup funds paid to health care providers. In a previous hearing, your Committee on Commerce and Consumer Protection found that eighteen months is a reasonable time period for a health insurer to seek recoupment or an offset.



As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 736, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,



GILBERT S.C. KEITH-AGARAN, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 736 SD1</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">CPN, JDL</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">3/4/15</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, unamended <small>2312</small></div> <div style="text-align: center;"><input type="checkbox"/> Pass, with amendments <small>2311</small></div> <div style="text-align: center;"><input type="checkbox"/> Hold <small>2310</small></div> <div style="text-align: center;"><input type="checkbox"/> Recommit <small>2313</small></div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike				✓
IHARA, Jr., Les	✓			
THIELEN, Laura H.				✓
SLOM, Sam				✓
TOTAL	4			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; text-align: right;">[Signature]</div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

*Only one measure per Record of Votes